

Senate File 2204 - Introduced

SENATE FILE 2204
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 3090)

A BILL FOR

1 An Act relating to public school funding by establishing the
2 state percent of growth and the categorical state percent of
3 growth for the budget year beginning July 1, 2022, modifying
4 provisions relating to the regular program state cost per
5 pupil, modifying provisions relating to the property tax
6 replacement payment and the transportation equity payments,
7 and including effective date provisions.
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 257.8, subsections 1 and 2, Code 2022,
2 are amended to read as follows:

3 1. *State percent of growth.* ~~The state percent of growth~~
4 ~~for the budget year beginning July 1, 2019, is two and six~~
5 ~~hundredths percent.~~ The state percent of growth for the budget
6 year beginning July 1, 2020, is two and three-tenths percent.
7 The state percent of growth for the budget year beginning July
8 1, 2021, is two and four-tenths percent. The state percent
9 of growth for the budget year beginning July 1, 2022, is two
10 and one-fourth percent. The state percent of growth for each
11 subsequent budget year shall be established by statute which
12 shall be enacted within thirty days of the transmission of the
13 governor's budget required by February 1 under [section 8.21](#)
14 during the regular legislative session beginning in the base
15 year.

16 2. *Categorical state percent of growth.* ~~The categorical~~
17 ~~state percent of growth for the budget year beginning July~~
18 ~~1, 2019, is two and six hundredths percent.~~ The categorical
19 state percent of growth for the budget year beginning July
20 1, 2020, is two and three-tenths percent. The categorical
21 state percent of growth for the budget year beginning July 1,
22 2021, is two and four-tenths percent. The categorical state
23 percent of growth for the budget year beginning July 1, 2022,
24 is two and one-fourth percent. The categorical state percent
25 of growth for each budget year shall be established by statute
26 which shall be enacted within thirty days of the transmission
27 of the governor's budget required by February 1 under section
28 8.21 during the regular legislative session beginning in the
29 base year. The categorical state percent of growth may include
30 state percents of growth for the teacher salary supplement, the
31 professional development supplement, the early intervention
32 supplement, the teacher leadership supplement, and for budget
33 years beginning on or after July 1, 2020, transportation equity
34 aid payments under [section 257.16C](#).

35 Sec. 2. Section 257.9, subsection 2, Code 2022, is amended

1 to read as follows:

2 2. *Regular program state cost per pupil for 1992-1993 and*
3 *succeeding years.*

4 a. For the budget year beginning July 1, 1992, and
5 succeeding budget years beginning before July 1, 2018, the
6 regular program state cost per pupil for a budget year is the
7 regular program state cost per pupil for the base year plus the
8 regular program supplemental state aid for the budget year.

9 b. For the budget year beginning July 1, 2018, the regular
10 program state cost per pupil is the regular program state
11 cost per pupil for the base year plus the regular program
12 supplemental state aid for the budget year, plus five dollars.

13 c. For the budget year beginning July 1, 2019, the regular
14 program state cost per pupil is the regular program state
15 cost per pupil for the base year plus the regular program
16 supplemental state aid for the budget year, plus five dollars.

17 d. For the budget year beginning July 1, 2020, the regular
18 program state cost per pupil is the regular program state
19 cost per pupil for the base year plus the regular program
20 supplemental state aid for the budget year, plus ten dollars.

21 e. For the budget year beginning July 1, 2021, the regular
22 program state cost per pupil is the regular program state
23 cost per pupil for the base year plus the regular program
24 supplemental state aid for the budget year, plus ten dollars.

25 f. For the budget year beginning July 1, 2022, the regular
26 program state cost per pupil is the regular program state
27 cost per pupil for the base year plus the regular program
28 supplemental state aid for the budget year, plus ten dollars.

29 ~~f.~~ g. For the budget year beginning July 1, ~~2022~~ 2023, and
30 succeeding budget years, the regular program state cost per
31 pupil for a budget year is the regular program state cost per
32 pupil for the base year plus the regular program supplemental
33 state aid for the budget year.

34 Sec. 3. Section 257.16B, subsections 1 and 2, Code 2022, are
35 amended to read as follows:

1 1. For each fiscal year beginning on or after July 1, 2019
2 2020, there is appropriated from the general fund of the state
3 to the department of education an amount necessary to make all
4 school district property tax replacement payments under this
5 section, as calculated in subsection 2.

6 2. ~~a. For the budget year beginning July 1, 2019, the~~
7 ~~department of management shall calculate for each school~~
8 ~~district all of the following:~~

9 ~~(1) The regular program state cost per pupil for the budget~~
10 ~~year beginning July 1, 2012, multiplied by one hundred percent~~
11 ~~less the regular program foundation base per pupil percentage~~
12 ~~pursuant to section 257.1.~~

13 ~~(2) The regular program state cost per pupil for the budget~~
14 ~~year beginning July 1, 2019, multiplied by one hundred percent~~
15 ~~less the regular program foundation base per pupil percentage~~
16 ~~pursuant to section 257.1.~~

17 ~~(3) The amount of each school district's property tax~~
18 ~~replacement payment. Each school district's property tax~~
19 ~~replacement payment equals the school district's weighted~~
20 ~~enrollment for the budget year beginning July 1, 2019,~~
21 ~~multiplied by the remainder of the amount calculated for~~
22 ~~the school district under subparagraph (2) minus the amount~~
23 ~~calculated for the school district under subparagraph (1).~~

24 ~~b. a.~~ For the budget year beginning July 1, 2020, the
25 department of management shall calculate for each school
26 district all of the following:

27 (1) The regular program state cost per pupil for the budget
28 year beginning July 1, 2012, multiplied by one hundred percent
29 less the regular program foundation base per pupil percentage
30 pursuant to section 257.1 for the budget year beginning July
31 1, 2020.

32 (2) The regular program state cost per pupil for the budget
33 year beginning July 1, 2020, multiplied by one hundred percent
34 less the regular program foundation base per pupil percentage
35 pursuant to section 257.1 for the budget year beginning July

1 1, 2020.

2 (3) The amount of each school district's property tax
3 replacement payment. Each school district's property tax
4 replacement payment equals the school district's weighted
5 enrollment for the budget year beginning July 1, 2020,
6 multiplied by the remainder of the amount calculated for
7 the school district under subparagraph (2) minus the amount
8 calculated for the school district under subparagraph (1).

9 ~~a.~~ b. For each the budget year beginning ~~on or after~~ July
10 1, 2021, the department of management shall calculate for each
11 school district all of the following:

12 (1) The regular program state cost per pupil for the budget
13 year beginning July 1, 2012, multiplied by one hundred percent
14 less the regular program foundation base per pupil percentage
15 pursuant to [section 257.1](#) for the budget year beginning July
16 1, 2021.

17 (2) The regular program state cost per pupil for the budget
18 year beginning July 1, 2021, multiplied by one hundred percent
19 less the regular program foundation base per pupil percentage
20 pursuant to [section 257.1](#) for the budget year beginning July
21 1, 2021.

22 (3) The amount of each school district's property tax
23 replacement payment. Each school district's property tax
24 replacement payment equals the school district's weighted
25 enrollment for the budget year beginning July 1, 2021,
26 multiplied by the remainder of the amount calculated for
27 the school district under subparagraph (2) minus the amount
28 calculated for the school district under subparagraph (1).

29 c. (1) For each budget year beginning on or after July
30 1, 2022, the amount of each school district's property
31 tax replacement payment shall be the product of the school
32 district's weighted enrollment for the budget year multiplied
33 by the per pupil property tax replacement amount for the budget
34 year calculated under subparagraph (2).

35 (2) The per pupil property tax replacement amount for budget

1 years beginning on or after July 1, 2022, is equal to the sum
2 of one hundred fifty-three dollars plus the difference between
3 the following:

4 (a) The regular program state cost per pupil for the budget
5 year beginning July 1, 2022, multiplied by one hundred percent
6 less the regular program foundation base per pupil percentage
7 pursuant to section 257.1 for the applicable budget year under
8 this paragraph.

9 (b) The regular program state cost per pupil for the budget
10 year beginning July 1, 2021, multiplied by one hundred percent
11 less the regular program foundation base per pupil percentage
12 pursuant to section 257.1 for the applicable budget year under
13 this paragraph.

14 Sec. 4. Section 257.16C, subsection 3, paragraph d,
15 subparagraphs (3) and (4), Code 2022, are amended to read as
16 follows:

17 (3) For the fiscal year beginning July 1, 2021, and the
18 fiscal year beginning July 1, 2022, there is appropriated from
19 the general fund of the state to the department of management
20 for deposit in the transportation equity fund an amount
21 necessary to make all transportation equity aid payments under
22 subsection 2, to be used for the purposes of [this section](#).

23 (4) For each fiscal year beginning on or after July 1,
24 ~~2022~~ 2023, there is appropriated from the general fund of
25 the state to the department of management for deposit in the
26 transportation equity fund the sum of the following, or so much
27 thereof as is necessary, to be used for the purposes of this
28 section:

29 (a) The amount appropriated to the transportation equity
30 fund under this ~~subparagraph~~ paragraph for the immediately
31 preceding fiscal year.

32 (b) The product of the amount determined under subparagraph
33 division (a) multiplied by the categorical percent of growth
34 under [section 257.8, subsection 2](#), for the budget year
35 beginning on the same date of the fiscal year for which the

1 appropriation is made.

2 Sec. 5. EFFECTIVE DATE. This Act, being deemed of immediate
3 importance, takes effect upon enactment.

4 EXPLANATION

5 The inclusion of this explanation does not constitute agreement with
6 the explanation's substance by the members of the general assembly.

7 This bill relates to public school funding by establishing
8 the state percent of growth and the categorical state percent
9 of growth for the budget year beginning July 1, 2022, modifying
10 provisions relating to the regular program state cost per
11 pupil, modifying provisions and references relating to the
12 property tax replacement payment, and modifying appropriations
13 for school transportation funding.

14 The bill establishes a state percent of growth of 2.25
15 percent for the budget year beginning July 1, 2022. The
16 state percent of growth is used to calculate the amount
17 of supplemental state aid for a budget year as part of the
18 state school foundation program. The bill also establishes a
19 categorical state percent of growth of 2.25 percent for the
20 budget year beginning July 1, 2022. The categorical state
21 percent of growth is generally used to calculate the amount
22 of supplemental state aid for each of the categorical funding
23 supplements.

24 Current Code section 257.9 provides that for the budget
25 year beginning July 1, 2022, and succeeding budget years, the
26 regular program state cost per pupil for a budget year is the
27 regular program state cost per pupil for the base year, which
28 includes the \$10 addition made for the budget year beginning
29 July 1, 2021, plus the regular program supplemental state aid
30 for the budget year.

31 Under the bill, for the budget year beginning July 1, 2022,
32 the regular program state cost per pupil is the regular program
33 state cost per pupil for the base year plus the regular program
34 supplemental state aid for the budget year, plus \$10. Then
35 with the budget year beginning July 1, 2023, and succeeding

1 budget years, the regular program state cost per pupil will
2 again be calculated as the regular program state cost per pupil
3 for the base year plus the regular program supplemental state
4 aid for the budget year.

5 Code section 257.16B provides for school district property
6 tax replacement payments. The bill modifies the property tax
7 replacement payment calculation for budget years beginning
8 on or after July 1, 2022. For budget years beginning on
9 or after July 1, 2022, each school district's property tax
10 replacement payment amount is equal to the school district's
11 weighted enrollment for the applicable budget year multiplied
12 by the per pupil property tax replacement amount. For school
13 budget years beginning on or after July 1, 2022, the per
14 pupil property tax replacement amount is equal to the sum of
15 \$153 plus the difference of the following: (1) the regular
16 program state cost per pupil for the budget year beginning July
17 1, 2022, multiplied by 100 percent less the regular program
18 foundation base per pupil percentage for the budget year; and
19 (2) the regular program state cost per pupil for the budget
20 year beginning July 1, 2021, multiplied by 100 percent less the
21 regular program foundation base per pupil percentage for the
22 budget year. The regular program foundation base per pupil
23 percentage is 88.4 percent.

24 For each fiscal year beginning on or after July 1, 2022,
25 Code section 257.16C appropriates from the general fund of the
26 state to the transportation equity fund the sum of the amount
27 appropriated for the immediately preceding fiscal year plus
28 the product of the amount appropriated for the immediately
29 preceding fiscal year multiplied by the categorical percent
30 of growth for the corresponding school budget year. The bill
31 modifies the appropriation for the fiscal year beginning
32 July 1, 2022, such that the total appropriated is equal to
33 the amount necessary to make all transportation equity aid
34 payments.

35 The bill takes effect upon enactment.